



U.S. Department of Justice

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Aug 3, 2007

EVENT: Sentencing

Defendant: Nina Sewell

**Detroit Canada Tunnel Corporation Employees Sentenced
in Tax and Embezzlement Investigation**

Nina Sewell, 35, of Detroit, was sentenced to 24 months imprisonment yesterday followed by three years supervised release, United States Attorney Stephen J. Murphy announced. As part of the sentence, Sewell was also ordered to pay \$365,508.97 in restitution to the Detroit Canada Tunnel Corporation (DCTC) and pay her tax liability to the Internal Revenue Service. On March 30, 2007, she pleaded guilty to bank fraud and filing a false statement with the IRS. This sentence was handed down by United States District Court before Judge Robert H. Cleland.

Murphy was joined in the announcement by Maurice Aouate, Special Agent in Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation and Andrew G. Arena, Special Agent in Charge of the Federal Bureau of Investigation.

United States Attorney Stephen J. Murphy said, "Any employee who abuses his or her position to take control of hundreds of thousands of dollars of company money for personal

profit is defrauding not only the employer, but the everyday customer. In this case, the crime was compounded by not reporting the income, which also constitutes an embezzlement upon the American taxpayer.”

“Embezzling income does not make it tax free,” said Special Agent in Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation Aouate. “Whether you earn your income legally or illegally, it is the responsibility of every taxpayer to file correct and accurate federal tax returns.”

According to court records, between 1999 through 2004, Latitia Waters, 41, of Detroit, was employed as a payroll clerk for DCTC with the responsibility of preparing the payroll for her supervisor’s approval, submitting the approved payroll records to Bank One, and submitting records to IRS. After payroll records were approved, she changed the payment amounts, increasing her pay. Waters embezzled over \$620,000 during this time period.

Sewell assisted Waters in the embezzlement, who was also employed at DCTC. Waters began making payroll deposits to Sewell’s bank account, in the same manner. Even after Sewell left the employment of DCTC, she continued to make payments to her account. Sewell received over \$365,000 as the results of this fraudulent scheme.

On January 9, 2007, after pleading guilty to bank fraud and filing a false statement with the IRS, Waters was sentenced to 30 months imprisonment, followed by three years supervised release. She was ordered to pay \$623,178.83 in restitution to the Detroit Canada Tunnel Corporation (DCTC) and pay her tax liability to the Internal Revenue Service.

According to court records, Waters and Sewell filed false tax returns with the Internal Revenue Service, signed under penalties of perjury, failing to report their embezzled income.

United States Attorney Murphy thanked the Internal Revenue Service Criminal Investigation and the FBI for their investigation of the case. The United States was represented by Assistant United States Attorney Blondell L. Morey.

